

**City of Falls Church
Economic Development Authority
Meeting minutes
Tuesday, April 4, 2006 – 6:30 p.m.
Training Room
Level G, City Hall**

I. Call to Order

EDA Chairman Ed Saltzberg called the meeting to order at 6:35 p.m.

Present:

EDA Board Members: Ed Saltzberg, Barry Buschow, Warren Cohen, A.C. Miller, Bruce Swenson

ED Staff: Rick Goff, Becky Witsman

Others Attending: Gerald Pressman

Absent: Dan Sze, Bob Butchko

II. Petitions from the Public - None

III. Petitions from the Board – Barry Buschow handed out copies of an article on parking that Bob Burnett brought to his attention. Barry also attended the recent zoning workshop on the “McMansion” issue and other issues related to residential development.

IV. Approval of March Minutes – Review of the March meeting minutes was postponed until the April Board meeting.

V. New Business

- a. **Letter from Falls Church Arts re: EDA gallery space grant** – Rick Goff reported that since the Falls Church Arts (FCA) group was unable to secure lease space in the old Rose Restaurant in the Stratford Motel, they have requested that the grant monies earmarked by the EDA for that purpose be put on hold until such time as they do locate a temporary location. After further discussion, the general consensus was that the EDA cannot make an absolute commitment for the grant allocation because some other worthy cause(s) may come to the EDA’s attention in the meantime, so the FCA group should be advised to plan to come back again when they are ready, to renew their request and to ascertain whether or not funding is still available.
- b. **Falls Church Education Foundation proposal** – On another grant-related issue, Rick Goff was asked about the status of the Falls Church Education Foundation’s proposed grant request from the prior month. He responded that he had only received a copy of Dan Sze’s e-mail from Dick McCall, suggesting that George Mason High School’s AP marketing/advertising class may have an interest in conducting a survey of residents in Falls Church, to help establish

household interest in certain types of retail. Heather Arnold has also expressed an interest in working with the students to conduct the survey.

- c. **Retail branding strategy session follow-up discussion-** Feedback from the well-attended session has been very positive and those attending left with a smile on their faces. Heather Arnold was on vacation the week of the EDA Board meeting; she will return and take the results of meeting and work on developing a theme and message that will carry into marketing materials. She will be working with the City's graphic designer on developing a logo and the words/images for the marketing message. Heather will be coming to the May EDA Board meeting to give an update on her progress.
- d. **Regulatory concern** - Warren Cohen brought up a concern that he had previously discussed with Rick Goff. Due to complaints he has heard and knows others have also heard regarding City staff's response to specific business and development related issues, he suggested that perhaps the EDA may want to consider inviting the specific complainant to a future meeting, to more thoroughly understand the nature of the complaints. Most of the issues mentioned were planning and zoning issues, such as parking requirements, setbacks, etc. and were focused on a specific developer's desire for more regulatory flexibility. City staff is currently in the midst of reviewing many of the regulatory requirements via a "Zoning Ordinance Action Plan", so staff would need to be included in any such future discussion.

VI. Old Business – EDA Board member assignments -

Ed Saltzberg returned to a topic that was first discussed in March and aimed at refocusing the efforts of EDA Board members. He provided copies of a revised spreadsheet detailing various Board objectives and possible assignments and example activities associated with those assignments. He also advocated for the need for an EDA Board member to work more directly with developers, to enable that individual to know project facts and to be able to ultimately make presentations in support of projects to the City Council. Regarding other initiatives, such as starting a business marketing program with Retail Compass, he suggested that Board members would be needed to: coordinate with Heather Arnold, create procedures for grants, work on an economic development tool kit, perform ombudsman duties, work closely with the City Manager, City staff and City Council, generate additional funds for the EDA and advise EDA members on what other research/studies are necessary. Rick Goff reviewed the usual steps in the development process, including the referral of projects to the various Boards and Commissions before the scheduling of a City Council work session. Rick Goff also advised EDA Board members that the Retail study is already having an impact, inasmuch as prospective developers who are coming to the City with projects have already read it and so better understand the City's retail objectives. The EDA may want to consider using Heather on a more informal basis as a part of the development project review committee. There was also discussion regarding the possibility of attempting to retain a consultant similar to Heather Arnold/Retail Compass, but who would specialize in entertainment users. Ed Saltzberg then asked EDA Board members if they could each consider the proposed assignments further and to come back to the Board meeting in May to discuss how to execute the assignments. Completing the discussion on the topic were suggestions for improving customer service in City Hall.

VII. Staff Reports -

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- a. **Development Projects** – Rick Goff advised that an appraiser has been selected to evaluate the City/EDA owned properties in the City Center area and that his work will take up to 90 days. Rick is continuing to work with the U.S. Postal Service to schedule a meeting to discuss the Atlantic development project and the need to find the Post Office new space. The Pearson Square project is progressing but they have had erosion/other issues, resulting in at least one stop work order. Tax Analysts still expects to occupy their office space in the project by this fall. The Spectrum has temporarily closed their sales office, and the Northgate project at the old Pearson Funeral Home is expected to come before City Council soon. Becky Witsman detailed difficulties being encountered with the leasing of retail space at the Byron. It appears that the Read Building project will be granted site construction approval this week. Since no resubmission of the Stratford Motel/Madison project has been made, that may indicate that they have allowed their options on properties to expire and that the project has been terminated. Akridge has purchased the three Gateway Plaza office buildings at 500/510/520 N. Washington Street and have plans to redevelop the site for mixed-use development. They will be rebuilding some of the office space, from Class C space to Class A space. Economic development staff have been working for months with a non-profit arts and cultural organization (Levine School of Music) that have most recently been meeting with elected officials and developers about locating in the City of Falls Church. Staff anticipates that Heather Arnold will be attending the May EDA meeting, to advise Board members about her progress. A new hire has been made for the Economic Development Office; Lovey Testa, who previously worked as an intern for the City Human Resources Division.
- b. **Business Assistance Activities** – Becky Witsman gave an update on the office vacancy rate that is up to between 6-7%, due in some part to almost 26,000 square feet of vacant space available at Gateway Plaza. Akridge has purchased those office buildings for a possible redevelopment project. Becky continues to work closely with the business owners at Hoang's Grill as they endeavor to increase their customer base. Copies of their menu were provided to Board members. Real estate news includes the listing of the American Legion property at the corner of Maple and Park for \$2.5 million for their 10,000 square foot lot. Bedo's has put their 1550 square foot second floor space on the market for lease for \$28 a square foot. Finally, the wine and cheese business that is considering a location in Falls Church has somewhat postponed their plans until more of the new mixed-use buildings in the Broad Street and Pennsylvania Avenue area are occupied by residents. The business owner is currently leaning in the direction of locating in the Spectrum.
- c. **Upcoming Meetings** – Rick Goff reported on upcoming meetings including many meetings on the budget. The identified big difference in the budget is the continued double-digit escalation of school costs.

VIII. Other Business

IX. Adjournment – at 8:25 p.m